

16-13-10 Amount of net earnings set apart as earned surplus.

Each year a development corporation shall set apart as earned surplus not less than 10% of its net earnings for its preceding fiscal year until such surplus is equal in value to one-half of the amount paid in on the shares of the corporation then outstanding. Whenever the amount of surplus so established shall become impaired, it shall be restored to the required amount in the manner hereinbefore provided. Net earnings and surplus shall be determined by the board of directors, after providing for such reserves as said directors deem desirable, and the directors' determination made in good faith shall be conclusive on all persons.

Enacted by Chapter 27, 1965 General Session